

Summary of the FY2021-22 Funding Allocation Model

Fiscal Year 2021-22 is the first year in which funding to institutions of higher education is allocated via the model established by HB20-1366. Allocations were made via both step one and step two of the model. Step one allocates base-building funding based on Master Plan goals, institutional needs, base funding concerns, specific institutional projects, and funding related to specific populations, while step two funding is based around performance in Master Plan categories.

Step One

The General Assembly elected to include a number of targeted funding increases in step one. Increases were based on:

- First generation student counts (both the count of full-time equivalent students and headcount), distributed based on the calibrated first generation student count at each institution as a percentage of calibrated first generation student counts statewide;
- The headcount of students included in the model's race and ethnicity metric (which includes African American or Black, Hispanic or Latinx, American Indian or Alaska Native, and Two or More Races when at least one of the races is one previously listed) as a percentage of an institution's total resident student headcount, calibrated based on the institution's share of funding in the prior year;
- The headcount of Pell-eligible students as a percentage of an institution's total resident student headcount, calibrated based on the institution's share of funding in the prior year; and
- The successful retention of the groups included in the Department's race/ethnicity metric, allocated via the distribution methodology used in step two.

These targeted increases are shown in the below table.

	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
First Generation (SFTE)	29,613	296,027	897,629	10,944	341,055	20,113	568,527	22,526	256,556	2,557,008	-	-	-	-	-	5,000,000
First Generation (Headcount, per statute)	18,959	248,528	839,115	5,702	272,236	15,009	479,296	16,184	192,970	2,912,002	-	-	-	-	-	5,000,000
Race/Ethnicity Headcount calibrated to GF	387,031	438,427	1,352,285	208,515	1,297,910	190,221	2,167,927	202,554	706,045	3,450,106	-	-	144,394	221,962	286,831	11,054,208
Pell Headcount calibrated to GF	434,127	627,483	1,498,650	187,831	1,608,975	248,989	2,807,667	324,415	840,663	3,325,730	-	-	-	-	-	11,904,530
Race/Ethnicity Retention*	249,658	415,508	752,127	266,353	1,288,917	209,020	2,117,240	347,213	553,421	2,303,778	-	-	90,100	106,538	139,100	8,838,973
FY 2021-22 Sub-Total	1,119,388	2,025,973	5,339,806	679,345	4,809,093	683,352	8,140,657	912,892	2,549,655	14,548,624	-	-	234,494	328,500	425,931	41,797,711
FY 2021-22 Percent Change	6.5%	6.3%	8.4%	4.5%	4.7%	4.8%	5.0%	3.6%	5.4%	7.7%	0.0%	0.0%	2.6%	3.1%	3.1%	4.9%

*Funding for LDCs and ATCs in this metric increased by 1% (the overall increase for the governing boards in this metric).

Step Two

Funding was also distributed via step two of the model. The below table includes information on the amounts allocated through those metrics.

		Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	Total, GBs
10.0%	Resident Enrollment	1,762,944	3,368,883	6,609,657	1,585,836	10,584,792	1,436,025	17,145,898	2,702,210	4,865,026	19,964,051	70,025,322
5.0%	Credential Production	861,222	1,662,104	3,286,745	792,018	5,349,889	700,465	8,648,624	1,320,153	2,493,152	9,898,290	35,012,661
20.0%	PELL	3,620,157	6,700,080	13,452,893	3,030,040	21,429,199	3,011,656	34,222,564	5,401,415	9,883,183	39,299,458	140,050,645
20.0%	Race/Ethnicity	3,535,902	6,666,826	13,337,788	3,341,707	21,288,489	2,955,718	34,102,845	5,326,290	9,909,260	39,585,820	140,050,645
20.0%	Retention Rate	3,604,550	6,737,981	13,403,948	3,106,309	21,311,006	2,955,999	33,918,929	5,289,913	9,842,616	39,879,392	140,050,645
10.0%	Grad. Rate - 100%	1,861,826	3,428,927	6,891,554	1,601,119	10,435,213	1,485,192	16,372,868	2,640,899	4,847,109	20,460,614	70,025,322
10.0%	Grad Rate - 150%	1,833,857	3,468,910	6,556,122	1,603,192	10,553,050	1,437,510	16,662,068	2,644,559	4,941,012	20,325,041	70,025,322
5.0%	1st Generation	867,583	1,617,316	3,360,538	754,875	5,376,500	709,742	8,572,065	1,339,128	2,393,558	10,021,355	35,012,661
	Step Two Total	17,948,042	33,651,029	66,899,245	15,815,096	106,328,138	14,692,307	169,645,862	26,664,567	49,174,915	199,434,021	700,253,223

Each metric is allocated based on the same basic calculation steps. First, each category of performance is assigned a weight. Next, each metric is measured using a series of calculations that first look at a governing board's change in performance over time, then compares each governing board's change in performance to the change at other institutions statewide.

A simplified version of the calculation steps is shown below:

		BOARD A	BOARD B	BOARD C	TOTAL
1	Governing Board's share of total funding, FY 2020-21	10%	20%	70%	100%
2	Average enrollment for 3 years (FY 2016-17 to FY 2018-19)	100	500	900	1,500
3	Average enrollment for 4 years (FY 2016-17 to FY 2019-20)	105	550	910	1,565
4	4-year average as a percent of 3-year average	105.0%	110.0%	101.1%	104.3%
5	Calibrate to 2019-20 share of funding (Row 1 x Row 4)	10.5%	22.0%	70.8%	103.3%
6	Adjust so that total = 100% (Board Share of Row 5 divided by Row 5 Total)	10.2%	21.3%	68.5%	100.0%

In the above example, all four governing boards demonstrate improvement in the metric via enrollment growth. But Board C still sees a decrease in their share of funding – even though they are improving, they are not improving as much as the other schools. As a result, they receive a slightly smaller share of funding in this section, as demonstrated by the percentage of funding in Row 6 relative to Row 1. This calculation is replicated for each of the eight metrics included in the performance section of the formula.

The model also makes allocations to the CSU Vet Med School, the CU Med School, local district colleges, and area technical colleges. Their funding in this portion of the model increases at the same rate as the overall increase to step two. These allocations are shown below.

	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
Change per Sec. 23-18-304, C.R.S.	3,241,328	3,711,431	423,472	500,728	653,771	8,530,730
Total per Sec. 23-18-304, C.R.S.	72,205,763	82,678,038	9,433,514	11,154,511	14,563,792	190,035,618
Percent Change	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%

When combined, the model results in total allocations as follows:

	Adams	Mesa	Metro	Western	CSU System	FLC	CU System	Mines	UNC	CCCS	CSU SEP	CU SEP	CMC	AIMS	ATC	Total
Total Funding FY 2021-22	19,067,430	35,677,002	72,239,051	16,494,441	111,137,232	15,375,659	177,786,520	27,577,460	51,724,570	213,982,645	72,205,763	82,678,038	9,668,008	11,483,011	14,989,723	932,086,551
Total Funding Change over FY 2019-20 Base	1,787,173	3,492,043	8,569,909	1,459,062	9,273,447	1,239,222	15,379,200	2,206,195	4,720,106	24,116,910	3,241,328	3,711,431	657,966	829,228	1,079,702	81,762,922
Total Percent Change over FY 2019-20 Base	10.3%	10.8%	13.5%	9.7%	9.1%	8.8%	9.5%	8.7%	10.0%	12.7%	4.7%	4.7%	7.3%	7.8%	7.8%	9.6%